

## APPROVED WAIVERS

***Waiver 1: Waiver of the required 50 percent employer contribution for customized training at WIA Section 101 (8) (C) & (31) (B) to contribution on a sliding scale, ranging from 10 to 50 percent, based on the guidance in TEGL 13-06 (Increased Use of Flexibility Provisions in WIA)***

### **Statutory or Regulatory Requirements Waived**

Maryland was previously granted a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. Through this suggested approach, the employer match ranged from a minimum of 10% to a maximum of 50% based on the size of the business.

### **State or Local Statutory or Regulatory Barriers**

No current state statutory, local statutory, or regulatory barriers existed related to this waiver request.

### **Goals of the Approved Waiver and Expected Programmatic Outcomes**

The State of Maryland's Workforce Development System's mission and vision hold fast to the belief that economic success is enhanced through an integrated, innovative, and strategic approach to workforce development, contributing to a high quality of employment opportunities and prosperous business communities. Businesses benefit from a competitively skilled workforce and workers enjoy quality employment and opportunities for career advancement. Customized Training optimizes the resources available under workforce development initiatives meeting needs of employers and job seekers. However, the 50% employer match requirement limited the ability to offer the maximum benefits of customized training to many local businesses. Therefore, added benefits include increases in the following:

- Percentage of employers using customized training as a means to hire and retain skilled workers
- Percentage of workers trained and hired through customized training
- Flexibility at the local level to service business and industry through a demand driven approach to specific needs
- Workers equipped with relevant job training skills leading to a more productive and therefore profitable business
- Improvement in the ability of the LWIBs to respond to industry changing needs more expediently and impactful
- LWIBs increased participation rates for skilled job seekers receiving training and securing employment

Local employers too often conclude a 50% match requirement creates costs outweighing benefits of participating in the WIA customized training programs. Allowing businesses to apply the sliding scale determining the match amount increases employer participation in WIA customized training programs at a local level. The below sliding scale for the employer match creates necessary flexibility for employers to provide the required match at a rate more appropriately representing a particular business' cost benefit ratio of contributing to a match amount of receiving skilled employees.

The sliding scale answers employers' primary reason for not participating in the training programs because of their Return on Investment (ROI) concerns, especially for those small employers of less than 50 employees with limited resources but a great need for skilled workers.

The employer match sliding scale will range from 10% to 50% based on the following employer size:

- Match up to 90% for employers with 50 or fewer employees
- Match up to 75% for employers with 51-200 employees
- Match up to 50% for employers with 200 or more employees

### **Impacts of Waiver**

Customized Training optimizes the resources available under workforce development initiatives to meet the needs of employers and job seekers.

### **Process for Monitoring Progress in Implementation**

DLLR's DWDAL Office of Workforce Development, Office of Workforce Investment Programs & Performance Monitoring, and Office of Budget and Fiscal Services monitor the WIA customized programs. Technical assistance during the implementation phase of the waiver covers areas as procurement, contracting, and program design. Each LWIB and DLLR's DWDAL/OWD/OWIPP and OBFS will monitor performance reports and compare actual performance with prescribed benchmarks. DWDAL/OWD/OWIPP will continue to make adjustments to monitoring performance requirements ensuring performance goals and objectives are met for all WIA programs.

***Waiver 2: Waiver of the requirement that businesses receiving On-the-Job (OJT) Training Services under WIA Section 101 (31) (B) and 20 CFR 663.700(a), 663.710(b), receive maximum reimbursement of 50% of the newly hired employee's wages during OJT***

Maryland was previously granted a waiver permitting an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The waiver would allow for reimbursements as follows:

- Up to 90 percent of the participant's wage for employers with 50 or fewer employees
- Up to 75% of the participant's wage for employers with more than 51-250 employees
- 50 percent of the participant's wage for employers with 250 or more employees

### **Statutory or Regulatory Requirements Waived**

WIA Section 101 (31) (B) increasing employer reimbursement for on-the-job training and 20 CFR 663.700(a), 663.710(b)

### **State or Local Statutory or Regulatory Barriers**

No current state statutory, local statutory, or regulatory barriers existed related to this waiver request.

### **Goals of the Approved Waiver and Expected Programmatic Outcomes**

This waiver allows the state to encourage and expand the hiring of unemployed adult, low income and dislocated workers who lack some of the skills needed to meet businesses' needs. The goals of the waiver are to accomplish the following:

- Increase the number of individuals receiving OJT
- Accelerate businesses hiring through OJT
- Strengthen the labor pool by providing unemployed workers with marketable skills
- Strengthen the business community by increasing its competitiveness in the global economy
- Improve the capacity of local boards to market demand-driven services
- Build beneficial relations with a greater number of businesses in the private sector providing job seekers with opportunities to add new skill sets and learn new technologies while returning to the workplace and earning wages to support themselves and their families.

This waiver request is consistent with State of Maryland Integrated WIA/Wagner-Peyser State Plan, placing strong emphasis on strengthening the business community and increasing the number of individuals who receive training through the One Stop Career Center System.

### **Impacts of Waiver**

This waiver accelerates hiring and thus positively impact the population of unemployed workers hired through OJT in terms of skill acquisition and family income. In addition, the waiver has a positive impact on the State's participating businesses with 100 or fewer employees, the State's workforce, and the State's economy.

### **Process for Monitoring Progress in Implementation**

Through regular contact with ETA Regional Office liaisons and their monitoring and performance accountability system, the State of Maryland monitors progress and ensures accountability for Federal funds in connection with these waivers by reviewing monthly expenditures, performance, and other reports.

### ***Waiver 3: Waiver of WIA Section 133 (b)(4) increasing allowable transfer amounts between Adult and Dislocated Worker funding streams allocated to a local area.***

*Although Maryland was previously granted a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams, the transfer authority was limited to 50 percent.*

### **Statutory or Regulatory Requirements Waived**

WIA Section 133 (b)(4)

### **State or Local Statutory or Regulatory Barriers**

No current state statutory, local statutory, or regulatory barriers existed related to this waiver request.

### **Goals of the Approved Waiver and Expected Programmatic Outcomes**

This waiver provides the state and Local WIBs needed flexibility to respond to changes in their local labor markets and helps ensure that WIA funds are used in a way that maximizes customer service, while ensuring consistency with legislative intent regarding the level of funding appropriate for WIA Adult, Dislocated Worker programs and aligning with the demand-driven needs of the business community.

### **Impacts of Waiver**

This waiver permits local areas to lessen challenges by transferring funding to more effectively serve their customers. Some local areas have been able to leverage and secure other sources of funding to serve the same groups of individuals. However, this waiver enables local areas to respond appropriately, transferring resources, maximizing the benefit to customers. The need for this waiver was critical given the current economic shifts occurring in our state.

### **Process for Monitoring Progress in Implementation**

Local areas are required to submit in writing to DLLR fiscal unit a request to implement the waiver, the amount of the transfer, and the justification of the need. Written approval of the transfer is issued to the LWIB and grant modifications are made. Through regular contact with ETA Regional Office liaisons and their monitoring and performance accountability system, the State of Maryland monitors progress and ensures accountability for Federal funds in connection with these waivers by reviewing monthly expenditures, performance, and other reports.

***Waiver 4: Waiver Permitting the State to Replace the Performance Measures at WIA Section 136 (b) with the Common Measures. Maryland was previously granted a waiver allowing the State to replace the seventeen (17) performance measures under WIA Section 136 (b) with the common measures.***

### **Statutory or Regulatory Requirements Waived**

Waiver of the core indicators of performance and the customer satisfaction measures required at WIA Section 136(b)(2) and (c)(1), as well as accompanying regulations in CFR 20 666.100(a) and 666.300(a), of the Workforce Investment Act.

### **State or Local Statutory or Regulatory Barriers**

No current state statutory, local statutory, or regulatory barriers existed related to this waiver request.

### **Goals of the Approved Waiver and Expected Programmatic Outcomes**

The State of Maryland has adopted and reports on the Common Measures, as delineated in TEGL #17-05, for federal job training and employment programs. This granted waiver

- Simplifies and streamlines performance accountability and reporting
- Improves program management and performance
- Enhances the State’s ability to assess the effectiveness and impact of workforce development efforts
- Provides a more effective means of determining performance

### **Impacts of Waiver**

This waiver continues to support the Maryland State’s Strategic Plan aligning strategy, services to customers, and accountability across the workforce investment system and programs administered by DLLR/ DWDAL. A streamlined approach and focus on the common measures rather than seventeen (17) allows for administrative efficiencies while focusing on key performance measures.

### **Process for Monitoring Progress in Implementation**

The State of Maryland issues quarterly performance reports to each of the local areas, identifying areas of deficiency and progress. Technical assistance and performance management training are provided ongoing via face-to-face meetings and webinars. Annual programmatic performance reviews observe and document best practices and deficiencies in operations assisting areas in developing process improvements enhancing performance outcomes.

***Waiver 5: Waiver of the provision WIA Section 122(c)(5) and WIA Regulations 20 CFR 663.530 prescribing a time limit on the period of initial eligibility for training providers. This waiver extended the initial eligibility period, deferring the implementation of the subsequent eligibility process. Additionally, the waiver provided an opportunity for training providers to re-enroll as initial eligible providers.***

### **Statutory or Regulatory Requirements Waived**

WIA Section 122(c)(5) 20 CFR 663.530

### **State or Local Statutory or Regulatory Barriers**

No current state statutory, local statutory, or regulatory barriers existed related to this waiver request.

### **Goals of the Approved Waiver and Expected Programmatic Outcomes**

Maryland realizes as workforce development resources become scarce and demand has skyrocketed, it becomes imperative Maryland’s investment in training and skills enhancement yield maximum benefits. Maryland understands the need for accountability and supports efforts to ensure customers are making informed decisions based on quality data. Access to training providers and a diverse menu of training options is necessary to meet the growing needs of Maryland’s economy.

### **Impacts of Waiver**

All WIA-eligible customers will be positively impacted by this waiver. Individual customers will continue to have a choice in selecting their training providers, employers will continue to have a steady flow of skilled workers entering the job market, and training providers will be able to continue serving present and new customers.

### **Process for Monitoring Progress in Implementation**

The State of Maryland's Higher Education Commission will monitor providers as appropriate and advise DWDAL as necessary.

***Waiver 6: Waiver of WIA Section 122(c)(5) and WIA Regulations 20 CFR 663.530 prohibition regarding the use of Individual Training Accounts (ITAs) for older and out-of-school youth. Maryland was previously granted a waiver of this prohibition regarding the use of ITAs for older and out-of-school youth program participants.***

### **Statutory or Regulatory Requirements Waived**

WIA Regulations 20 CFR 664.510

### **Goals of the Approved Waiver and Expected Programmatic Outcomes**

The goals of this waiver are to ensure local workforce investment areas have flexibility to design and deliver programs based on the needs of their customers rather than restrictions based solely on age. Without this waiver, the workforce system would have no alternative but to co-enroll older youth in the adult program providing training opportunities by using ITAs. Adult funding in Maryland is limited and therefore opportunities for these youth to participate in training are additionally limited.

### **Impacts of Waiver**

This approved waiver streamlines customer service, paperwork is reduced, and processes are simplified. Further, this waiver offers youth the real-life learning experience of making an informed decision directly impacting his/her life. Using the ITA process with older youth and out-of-school youth offers case managers the opportunity to discuss the process of decision-making (training provider, finances, etc.) and the possible results. Service capacity of the One Stop Career Centers is maximized by allowing the use of Youth funds to serve older youth who are focused on employment have the same advantage of ITAs as adult and dislocated workers and increase youth performance.

### **Process for Monitoring Progress in Implementation**

Through regular contact with ETA Regional Office liaisons and their monitoring and performance accountability system, the State of Maryland monitors progress and ensures accountability for Federal funds in connection with these waivers by reviewing monthly expenditures, performance reports, and other reports.